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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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IAPR 149 1994

PEDERAL COMMUNICATIONS COMMUNICA OFFICE OF SECRETARY

MD Docket No. 94-19

In the Matter of

Implementation of Section 9 of the Communications Act

Assessment and Collection of Regulatory Rees for the 1994 Fiscal Year

MOTION FOR LATE ACCEPTANCE

MCI Telecommunications Corporation (MCI) hereby submits this motion for leave to file its reply comments, which are appended hereto, one day late in the above-captioned rulemaking proceeding. For the reasons set forth below, the public interest would be served by acceptance and consideration of MCI's reply comments.

Inadvertently, the original of the subject filing was misplace and not filed as intended with the Commission on April 18, 1994, the deadline imposed for the submission of reply comments. Fortunately, however, in anticipation of the intended filing, mervice copies were timely mailed and, accordingly, no party to this proceeding will be prejudiced by MCI's failure to file formally with the Commission on April 18, 1994. particularly true in this instance because the subject filing constituted the final scheduled pleading. Thus, no claim can be made that time will be lost in pleading preparation because no further pleadings are contemplated herein.

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WHEREFORE, good cause having been shown, MCI respectfully requests that the Commission grant this motion and accept and consider MCI's reply comments, formally filed one day late, during its deliberations in this proceeding.

Respectfully submitted,

MCI TELECOMMUNICATIONS CORPORATION

Donald J.

1801 Pennsylvania Ave., NW

Washington, DC 20006 (202) 887-2006

Dated: April 19, 1994

Its Attorney

MCI Communications Corporation



1801 Pennsylvania Ave., NW Washington, DC 20006 202 887 2601 Donald Evans Director Regulatory Affairs

ORIGINAL

April 18, 1994

Mr. William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, N.W. Room 222 Washington, D.C. 20554

RE: MD Docket No. 94-19 - MCI REPLY COMMENTS

Dear Mr. Caton:

Enclosed for filing are the original and (4) copies of MCI's Reply Comments in the above captioned proceedings. Please affix a proper notation to mark as received for filing.

Yours truly,

Donald F. Evans

ORIGINAL

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)			
Implementation of Section 9 of the Communications Act) } M D	Docket	No.	94-19
Assessment and Collection of Regulatory Fees for the 1994)))			

MCI REPLY COMMENTS

MCI Telecommunications Corporation (MCI) hereby submits its reply comments in the above captioned proceeding. Some commentors have attempted to plead issues that are well beyond the scope of this proceeding. For instance, some price cap carriers ask the Commission to give exogenous treatment to the regulatory fees that are the subject of this proceeding. The determination of exogenous treatment is well beyond the scope of this proceeding. If price cap carriers wish to attempt to plead their case for exogenous treatment, they should do so in a petition for waiver or rulemaking before the Common Carrier Bureau and not here in a Managing Director docket established to determine the process for collection of regulatory fees and other matters related to these regulatory fees.

AT&T requests that the Commission change the method for determining the amount of fees to be assessed on interexchange

¹ See, for example, Comments of NYNEX Corporation at p.4.

carriers.² AT&T moans that the presubscribed access line method is unfair to it because, according to AT&T, only low volume users like to use AT&T services. This market fact, if true, is not a regulatory fee issue but rather one that AT&T needs to address in the marketplace. AT&T's idea is much more difficult to administer than the presubscribed access line method. Presubscribed lines is a known factor that does not vary by the rates charged and is much less susceptible to manipulation, easier to verify, and better reflects an IXC's presence in the market than does revenues. Therefore, MCI urges the Commission to reject AT&T's suggestion.

Southwestern Bell has suggested that the Commission use ARMIS data to calculate presubscribed lines and access lines. While ARMIS is a very good source of such data it does not provide the Commission with data regarding interexchange carriers. As MCI pointed out in its comments, use of the data already provided to NECA for the Universal Service Fund would be much more efficient. MCI therefore requests that the Commission not use ARMIS data for the calculation of regulatory fees.

Allnet has raised two points that MCI believes the Commission should confirm.³ Although MCI believes that private payphones and local exchange carriers which provide interexchange service are subject to regulatory fees, MCI urges the Commission to confirm this. Private payphone owners presubscribe their access lines to

Comments of American Telephone and Telegraph Company (AT&T).

³ See, Comments of Allnet Communication Services, Inc. at pp.3-4.

provide interexchange service and therefore are subject to regulatory fees. Local exchange carriers provide interexchange service and have access lines presubscribed to themselves and are therefore subject to regulatory fees.4 There is no basis to exclude either private payphone providers or local exchange carriers from regulatory fees.

Respectfully submitted,

MCI TELECOMMUNICATIONS CORPORATION

Donald F. Evans Director Federal Regulatory Affairs

1801 Pennsylvania Avenue, N.W.

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Dated: April 18, 1994

The Commission has noted in CC Docket No. 92-237 Phases One and Two that local exchange carriers routinely provide interLATA interstate service by stripping off calls and completing them on their own facilities.

STATEMENT OF VERIFICATION

I have read the foregoing, and to the best of my knowledge, information, and belief there is good ground to support it, and that it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct. Executed on April 18, 1994.

Donald F. Evans

Director, Federal Regulatory Affairs

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CERTIFICATE OF SERVICE

I, Gwen Montalvo, do hereby certify that copies of the foregoing MCI's Reply Comments were sent via first class mail, postage paid, to the following on this 18th day of April, 1994.

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